



# Capital Projects Board FACT SHEET

## Capital Projects Board

House Enrolled Act 1478 establishes the County Board of Tax and Capital Review (The Capital Projects Board) to approve all school and government building projects over \$7M.

This new nine member board will replace the seven member County Board of Tax Adjustment beginning in 2009. In addition, the State's Local Government Tax Control Board is abolished.

Under this bill, local units are required to hold a public hearing and adopt a five-year proposed capital projects plan every two years.

## Taxpayer Impact

Hoosier taxpayers will see more accountability and transparency in local government spending on school and government building projects.

## How It Works

The Capital Projects Board is required to review and provide a written report concerning each capital projects plan over \$7M.

Generally, in counties other than Marion, the members of the new board will include:

- One member of the county fiscal body;
- One member of the fiscal body of the municipality with the greatest assessed value (AV) in the county;
- One member of the fiscal body of the other remaining cities in the county;
- One member of the fiscal body of the other remaining towns in the county;
- One member of the fiscal body of the school with the greatest AV in the county;
- One member of the fiscal body of one of the other remaining schools in the county, jointly appointed on a rotating basis;
- Two county residents elected to a four-year term by county voters; and
- The county auditor.
- If there are only two municipalities in the county, then the three members representing cities and towns include two members of the fiscal body of the municipality with the greatest AV in the county and one member of the fiscal body of the other municipality. If only one municipality exists in the county then all three members will come from that municipality.

There are four alternate memberships for the CBTCPR depending on the number of municipalities and school corporations within the county.

Schools and local units of government may not begin construction, enter into contracts for construction, or issue bonds for a capital project costing over \$7M unless it has been approved by The Capital Projects Board.

However, approval of the DLGF is not required for an issuance of bonds that has been approved by The Capital Projects Board.

## **Frequently Asked Questions**

**Q: How is this different from the previous board system?**

A: Under the old system, local government taxing units operated independently rather than as one cohesive community in determining school and government building needs. This provides an avenue, at the local level, to evaluate and balance capital projects being considered.

**Q: Will this affect or delay local public works projects?**

A: Approval by The Capital Projects Board is not required for water projects, wastewater projects, highway or road projects, or bridge projects.

**Q: What if the unit of government disagrees with the board's decision?**

A: If a project is disapproved by The Capital Projects Board, a school or unit of government may choose to begin the petition or remonstrance process to override the Capital Project Board's decision.

**Q: What happens to the School Property Tax Control Board?**

A: This has yet to be determined.

## **Contact Information**

Additional information regarding the County Board of Tax and Capital Projects Review can be obtained by contacting the Indiana Department of Local Government Finance at (317) 233-9222 or online at [www.in.gov/dlgef](http://www.in.gov/dlgef).